

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-FIRST SESSION**

**S.F. No. 1070**

(SENATE AUTHORS: HALL, Dibble, Marty, Pratt and Benson)

DATE	D-PG	OFFICIAL STATUS
02/11/2019	327	Introduction and first reading
		Referred to Health and Human Services Finance and Policy
03/25/2019	1247a	Comm report: Amended, No recommendation, re-referred to E-12 Finance and Policy

1.1 A bill for an act

1.2 relating to health; modifying medical cannabis requirements; allowing Minnesota

1.3 hemp growers to sell Minnesota grown hemp to medical cannabis manufacturers;

1.4 authorizing the administration of medical cannabis to registered patients who are

1.5 students by parents or designated care givers; appropriating money; amending

1.6 Minnesota Statutes 2018, sections 18K.02, subdivision 3; 18K.03; 152.22,

1.7 subdivisions 6, 14, by adding a subdivision; 152.23; 152.25, subdivision 4; 152.27,

1.8 subdivision 4; 152.28, subdivision 1; 152.29, subdivisions 1, 2, 3, 3a; 152.31;

1.9 152.36, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter

1.10 152.

1.11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.12 Section 1. Minnesota Statutes 2018, section 18K.02, subdivision 3, is amended to read:

1.13 Subd. 3. **Industrial hemp.** "Industrial hemp" means the plant *Cannabis sativa* L. and

1.14 any part of the plant, whether growing or not, including the plant's seeds, and all the plant's

1.15 derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether

1.16 growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3

1.17 percent on a dry weight basis. Industrial hemp is not marijuana as defined in section 152.01,

1.18 subdivision 9.

1.19 Sec. 2. Minnesota Statutes 2018, section 18K.03, is amended to read:

1.20 **18K.03 AGRICULTURAL CROP; POSSESSION AUTHORIZED.**

1.21 Subdivision 1. **Industrial hemp.** Industrial hemp is an agricultural crop in this state. A

1.22 person may possess, transport, process, sell, or buy industrial hemp that is grown pursuant

1.23 to this chapter.

2.1 Subd. 2. **Sale to medical cannabis manufacturers.** A licensee under this chapter may  
2.2 sell hemp products derived from industrial hemp grown in this state to medical cannabis  
2.3 manufacturers as authorized under sections 152.22 to 152.37.

2.4 Sec. 3. Minnesota Statutes 2018, section 152.22, is amended by adding a subdivision to  
2.5 read:

2.6 Subd. 5a. **Hemp.** "Hemp" means industrial hemp as defined in section 18K.02,  
2.7 subdivision 3.

2.8 Sec. 4. Minnesota Statutes 2018, section 152.22, subdivision 6, is amended to read:

2.9 Subd. 6. **Medical cannabis.** (a) "Medical cannabis" means any species of the genus  
2.10 cannabis plant, or any mixture or preparation of them, including whole plant extracts and  
2.11 resins, and is delivered in the form of:

2.12 (1) liquid, including, but not limited to, oil;

2.13 (2) pill;

2.14 (3) vaporized delivery method with use of liquid or oil but which does not require the  
2.15 use of dried leaves or plant form; or

2.16 (4) any other method, excluding smoking, approved by the commissioner.

2.17 (b) This definition includes any part of the genus cannabis plant prior to being processed  
2.18 into a form allowed under paragraph (a), that is possessed by a person while that person is  
2.19 engaged in employment duties necessary to carry out a requirement under sections 152.22  
2.20 to 152.37 for a registered manufacturer or a laboratory under contract with a registered  
2.21 manufacturer. This definition also includes any hemp acquired by a manufacturer by a hemp  
2.22 grower licensed under chapter 18K as permitted under section 152.29, subdivision 1,  
2.23 paragraph (b).

2.24 Sec. 5. Minnesota Statutes 2018, section 152.22, subdivision 14, is amended to read:

2.25 Subd. 14. **Qualifying medical condition.** "Qualifying medical condition" means a  
2.26 diagnosis of any of the following conditions:

2.27 (1) cancer, if the underlying condition or treatment produces one or more of the following:

2.28 (i) severe or chronic pain;

2.29 (ii) nausea or severe vomiting; or

2.30 (iii) cachexia or severe wasting;

- 3.1 (2) glaucoma;
- 3.2 (3) human immunodeficiency virus or acquired immune deficiency syndrome;
- 3.3 (4) Tourette's syndrome;
- 3.4 (5) amyotrophic lateral sclerosis;
- 3.5 (6) seizures, including those characteristic of epilepsy;
- 3.6 (7) severe and persistent muscle spasms, including those characteristic of multiple
- 3.7 sclerosis;
- 3.8 (8) inflammatory bowel disease, including Crohn's disease;
- 3.9 (9) terminal illness, with a probable life expectancy of under one year, if the illness or
- 3.10 its treatment produces one or more of the following:
- 3.11 (i) severe or chronic pain;
- 3.12 (ii) nausea or severe vomiting; or
- 3.13 (iii) cachexia or severe wasting; ~~or~~
- 3.14 (10) intractable pain;
- 3.15 (11) posttraumatic stress disorder;
- 3.16 (12) autism spectrum disorders;
- 3.17 (13) obstructive sleep apnea; or
- 3.18 (14) any other medical condition or its treatment approved by the commissioner.

3.19 Sec. 6. Minnesota Statutes 2018, section 152.23, is amended to read:

3.20 **152.23 LIMITATIONS.**

3.21 (a) Nothing in sections 152.22 to 152.37 permits any person to engage in and does not

3.22 prevent the imposition of any civil, criminal, or other penalties for:

3.23 (1) undertaking any task under the influence of medical cannabis that would constitute

3.24 negligence or professional malpractice;

3.25 (2) possessing or engaging in the use of medical cannabis:

3.26 (i) on a school bus or van, except as permitted under section 152.345;

3.27 (ii) on the grounds of any preschool ~~or primary, elementary,~~ or secondary school, except

3.28 as permitted under section 152.345;

4.1 (iii) in any correctional facility; or

4.2 (iv) on the grounds of any child care facility or home day care;

4.3 (3) vaporizing medical cannabis pursuant to section 152.22, subdivision 6:

4.4 (i) on any form of public transportation;

4.5 (ii) where the vapor would be inhaled by a nonpatient minor child; or

4.6 (iii) in any public place, including any indoor or outdoor area used by or open to the  
4.7 general public or a place of employment as defined under section 144.413, subdivision 1b;  
4.8 and

4.9 (4) operating, navigating, or being in actual physical control of any motor vehicle,  
4.10 aircraft, train, or motorboat, or working on transportation property, equipment, or facilities  
4.11 while under the influence of medical cannabis.

4.12 (b) Nothing in sections 152.22 to 152.37 require the medical assistance and  
4.13 MinnesotaCare programs to reimburse an enrollee or a provider for costs associated with  
4.14 the medical use of cannabis. Medical assistance and MinnesotaCare shall continue to provide  
4.15 coverage for all services related to treatment of an enrollee's qualifying medical condition  
4.16 if the service is covered under chapter 256B or 256L.

4.17 Sec. 7. Minnesota Statutes 2018, section 152.25, subdivision 4, is amended to read:

4.18 Subd. 4. **Reports.** (a) The commissioner shall provide regular updates to the task force  
4.19 on medical cannabis therapeutic research and to the chairs and ranking minority members  
4.20 of the legislative committees with jurisdiction over health and human services, public safety,  
4.21 judiciary, and civil law regarding: (1) any changes in federal law or regulatory restrictions  
4.22 regarding the use of medical cannabis and hemp; and (2) the market demand and supply in  
4.23 this state for hemp products that can be used for medicinal purposes.

4.24 (b) The commissioner may submit medical research based on the data collected under  
4.25 sections 152.22 to 152.37 to any federal agency with regulatory or enforcement authority  
4.26 over medical cannabis to demonstrate the effectiveness of medical cannabis for treating a  
4.27 qualifying medical condition.

4.28 Sec. 8. Minnesota Statutes 2018, section 152.27, subdivision 4, is amended to read:

4.29 Subd. 4. **Registered designated caregiver.** (a) The commissioner shall register a  
4.30 designated caregiver for a patient if the patient's health care practitioner has certified that  
4.31 the patient, in the health care practitioner's medical opinion, is developmentally or physically

5.1 disabled and, as a result of that disability, the patient is unable to self-administer medication  
5.2 or acquire medical cannabis from a distribution facility and the caregiver has agreed, in  
5.3 writing, to be the patient's designated caregiver. As a condition of registration as a designated  
5.4 caregiver, the commissioner shall require the person to:

5.5 (1) be at least 21 years of age;

5.6 (2) agree to only possess any medical cannabis for purposes of assisting the patient; and

5.7 (3) agree that if the application is approved, the person will not be a registered designated  
5.8 caregiver for more than one patient, unless the patients reside in the same residence.

5.9 (b) The commissioner shall conduct a criminal background check on the designated  
5.10 caregiver prior to registration to ensure that the person does not have a conviction for a  
5.11 disqualifying felony offense. Any cost of the background check shall be paid by the person  
5.12 seeking registration as a designated caregiver.

5.13 (c) A school nurse or other appropriate school personnel as designated by a school district  
5.14 may be registered as a designated caregiver for a student who is a registered patient for the  
5.15 purpose of section 152.345.

5.16 Sec. 9. Minnesota Statutes 2018, section 152.28, subdivision 1, is amended to read:

5.17 Subdivision 1. **Health care practitioner duties.** (a) Prior to a patient's enrollment in  
5.18 the registry program, a health care practitioner shall:

5.19 (1) determine, in the health care practitioner's medical judgment, whether a patient suffers  
5.20 from a qualifying medical condition, and, if so determined, provide the patient with a  
5.21 certification of that diagnosis;

5.22 (2) determine whether a patient is developmentally or physically disabled and, as a result  
5.23 of that disability, the patient is unable to self-administer medication or acquire medical  
5.24 cannabis from a distribution facility, and, if so determined, include that determination on  
5.25 the patient's certification of diagnosis;

5.26 (3) advise patients, registered designated caregivers, and parents or legal guardians who  
5.27 are acting as caregivers of the existence of any nonprofit patient support groups or  
5.28 organizations;

5.29 (4) provide explanatory information from the commissioner to patients with qualifying  
5.30 medical conditions, including disclosure to all patients about the experimental nature of  
5.31 therapeutic use of medical cannabis; the possible risks, benefits, and side effects of the

6.1 proposed treatment; the application and other materials from the commissioner; and provide  
 6.2 patients with the Tennessee warning as required by section 13.04, subdivision 2; and

6.3 (5) agree to continue treatment of the patient's qualifying medical condition and report  
 6.4 medical findings to the commissioner.

6.5 (b) Upon notification from the commissioner of the patient's enrollment in the registry  
 6.6 program, the health care practitioner shall:

6.7 (1) participate in the patient registry reporting system under the guidance and supervision  
 6.8 of the commissioner;

6.9 (2) report health records of the patient throughout the ongoing treatment of the patient  
 6.10 to the commissioner in a manner determined by the commissioner and in accordance with  
 6.11 subdivision 2;

6.12 (3) determine, on a yearly basis, if the patient continues to suffer from a qualifying  
 6.13 medical condition and, if so, issue the patient a new certification of that diagnosis; and

6.14 (4) otherwise comply with all requirements developed by the commissioner.

6.15 (c) A health care practitioner may conduct a patient assessment to issue a recertification  
 6.16 as required under paragraph (b), clause (3), via telemedicine as defined under section  
 6.17 62A.671, subdivision 9.

6.18 ~~(e)~~ (d) Nothing in this section requires a health care practitioner to participate in the  
 6.19 registry program.

6.20 Sec. 10. Minnesota Statutes 2018, section 152.29, subdivision 1, is amended to read:

6.21 Subdivision 1. **Manufacturer; requirements.** (a) A manufacturer shall operate ~~four~~  
 6.22 eight distribution facilities, which may include the manufacturer's single location for  
 6.23 cultivation, harvesting, manufacturing, packaging, and processing but is not required to  
 6.24 include that location. ~~A manufacturer is required to begin distribution of medical cannabis~~  
 6.25 ~~from at least one distribution facility by July 1, 2015. All distribution facilities must be~~  
 6.26 ~~operational and begin distribution of medical cannabis by July 1, 2016. The distribution~~  
 6.27 ~~facilities shall be located~~ The commissioner shall designate the geographical service areas  
 6.28 to be served by each manufacturer based on geographical need throughout the state to  
 6.29 improve patient access. A manufacturer shall disclose the proposed locations for the  
 6.30 distribution facilities to the commissioner during the registration process. A manufacturer  
 6.31 shall not have more than two distribution facilities in each geographical service area assigned  
 6.32 to the manufacturer by the commissioner. A manufacturer shall operate only one location

7.1 where all cultivation, harvesting, manufacturing, packaging, and processing of medical  
 7.2 cannabis shall be conducted. Any This location may be one of the manufacturer's distribution  
 7.3 facility sites. The additional distribution facilities may dispense medical cannabis and  
 7.4 medical cannabis products but may not contain any medical cannabis in a form other than  
 7.5 those forms allowed under section 152.22, subdivision 6, and the manufacturer shall not  
 7.6 conduct any cultivation, harvesting, manufacturing, packaging, or processing at an additional  
 7.7 the other distribution facility site sites. Any distribution facility operated by the manufacturer  
 7.8 is subject to all of the requirements applying to the manufacturer under sections 152.22 to  
 7.9 152.37, including, but not limited to, security and distribution requirements.

7.10 (b) A manufacturer may obtain hemp from a hemp grower licensed with the commissioner  
 7.11 of agriculture under chapter 18K if the hemp was grown in this state. A manufacturer may  
 7.12 use hemp for the purpose of making it available in a form allowable under section 152.22,  
 7.13 subdivision 6. Any hemp acquired by a manufacturer under this paragraph is subject to the  
 7.14 same quality control program, security and testing requirements, and any other requirement  
 7.15 for medical cannabis under sections 152.22 to 152.37 and Minnesota Rules, chapter 4770.

7.16 ~~(b)~~ (c) A medical cannabis manufacturer shall contract with a laboratory approved by  
 7.17 the commissioner, subject to any additional requirements set by the commissioner, for  
 7.18 purposes of testing medical cannabis manufactured or hemp acquired by the medical cannabis  
 7.19 manufacturer as to content, contamination, and consistency to verify the medical cannabis  
 7.20 meets the requirements of section 152.22, subdivision 6. The cost of laboratory testing shall  
 7.21 be paid by the manufacturer.

7.22 ~~(c)~~ (d) The operating documents of a manufacturer must include:

7.23 (1) procedures for the oversight of the manufacturer and procedures to ensure accurate  
 7.24 record keeping; ~~and~~

7.25 (2) procedures for the implementation of appropriate security measures to deter and  
 7.26 prevent the theft of medical cannabis and hemp and unauthorized entrance into areas  
 7.27 containing medical cannabis- and hemp; and

7.28 (3) procedures for the delivery and transportation of hemp between hemp growers  
 7.29 licensed under chapter 18K and manufacturers.

7.30 ~~(d)~~ (e) A manufacturer shall implement security requirements, including requirements  
 7.31 for the delivery and transportation of hemp, protection of each location by a fully operational  
 7.32 security alarm system, facility access controls, perimeter intrusion detection systems, and  
 7.33 a personnel identification system.

8.1 ~~(e)~~ (f) A manufacturer shall not share office space with, refer patients to a health care  
8.2 practitioner, or have any financial relationship with a health care practitioner.

8.3 ~~(f)~~ (g) A manufacturer shall not permit any person to consume medical cannabis on the  
8.4 property of the manufacturer.

8.5 ~~(g)~~ (h) A manufacturer is subject to reasonable inspection by the commissioner.

8.6 ~~(h)~~ (i) For purposes of sections 152.22 to 152.37, a medical cannabis manufacturer is  
8.7 not subject to the Board of Pharmacy licensure or regulatory requirements under chapter  
8.8 151.

8.9 ~~(i)~~ (j) A medical cannabis manufacturer may not employ any person who is under 21  
8.10 years of age or who has been convicted of a disqualifying felony offense. An employee of  
8.11 a medical cannabis manufacturer must submit a completed criminal history records check  
8.12 consent form, a full set of classifiable fingerprints, and the required fees for submission to  
8.13 the Bureau of Criminal Apprehension before an employee may begin working with the  
8.14 manufacturer. The bureau must conduct a Minnesota criminal history records check and  
8.15 the superintendent is authorized to exchange the fingerprints with the Federal Bureau of  
8.16 Investigation to obtain the applicant's national criminal history record information. The  
8.17 bureau shall return the results of the Minnesota and federal criminal history records checks  
8.18 to the commissioner.

8.19 ~~(j)~~ (k) A manufacturer may not operate in any location, whether for distribution or  
8.20 cultivation, harvesting, manufacturing, packaging, or processing, within 1,000 feet of a  
8.21 public or private school existing before the date of the manufacturer's registration with the  
8.22 commissioner.

8.23 ~~(k)~~ (l) A manufacturer shall comply with reasonable restrictions set by the commissioner  
8.24 relating to signage, marketing, display, and advertising of medical cannabis.

8.25 (m) Before a manufacturer acquires hemp, the manufacturer must verify that the person  
8.26 from whom the manufacturer is acquiring hemp has a valid license issued by the  
8.27 commissioner of agriculture under chapter 18K.

8.28 Sec. 11. Minnesota Statutes 2018, section 152.29, subdivision 2, is amended to read:

8.29 Subd. 2. **Manufacturer; production.** (a) A manufacturer of medical cannabis shall  
8.30 provide a reliable and ongoing supply of all medical cannabis and hemp needed for the  
8.31 registry program.

9.1 (b) All cultivation, harvesting, manufacturing, packaging, and processing of medical  
9.2 cannabis or manufacturing, packaging, or processing of hemp must take place in an enclosed,  
9.3 locked facility at a physical address provided to the commissioner during the registration  
9.4 process.

9.5 (c) A manufacturer must process and prepare any medical cannabis or hemp plant material  
9.6 into a form allowable under section 152.22, subdivision 6, prior to distribution of any medical  
9.7 cannabis.

9.8 Sec. 12. Minnesota Statutes 2018, section 152.29, subdivision 3, is amended to read:

9.9 Subd. 3. **Manufacturer; distribution.** (a) A manufacturer shall require that employees  
9.10 licensed as pharmacists pursuant to chapter 151 be the only employees to give final approval  
9.11 for the distribution of medical cannabis to a patient.

9.12 (b) A manufacturer may dispense medical cannabis products, whether or not the products  
9.13 have been manufactured by the manufacturer, but is not required to dispense medical cannabis  
9.14 products.

9.15 (c) Prior to distribution of any medical cannabis, the manufacturer shall:

9.16 (1) verify that the manufacturer has received the registry verification from the  
9.17 commissioner for that individual patient;

9.18 (2) verify that the person requesting the distribution of medical cannabis is the patient,  
9.19 the patient's registered designated caregiver, or the patient's parent or legal guardian listed  
9.20 in the registry verification using the procedures described in section 152.11, subdivision  
9.21 2d;

9.22 (3) assign a tracking number to any medical cannabis distributed from the manufacturer;

9.23 (4) ensure that any employee of the manufacturer licensed as a pharmacist pursuant to  
9.24 chapter 151 has consulted with the patient to determine the proper dosage for the individual  
9.25 patient after reviewing the ranges of chemical compositions of the medical cannabis and  
9.26 the ranges of proper dosages reported by the commissioner. For purposes of this clause, a  
9.27 consultation may be conducted remotely using a videoconference, so long as the employee  
9.28 providing the consultation is able to confirm the identity of the patient, the consultation  
9.29 occurs while the patient is at a distribution facility, and the consultation adheres to patient  
9.30 privacy requirements that apply to health care services delivered through telemedicine;

9.31 (5) properly package medical cannabis in compliance with the United States Poison  
9.32 Prevention Packing Act regarding child-resistant packaging and exemptions for packaging

10.1 for elderly patients, and label distributed medical cannabis with a list of all active ingredients  
10.2 and individually identifying information, including:

10.3 (i) the patient's name and date of birth;

10.4 (ii) the name and date of birth of the patient's registered designated caregiver or, if listed  
10.5 on the registry verification, the name of the patient's parent or legal guardian, if applicable;

10.6 (iii) the patient's registry identification number;

10.7 (iv) the chemical composition of the medical cannabis; and

10.8 (v) the dosage; and

10.9 (6) ensure that the medical cannabis distributed contains a maximum of a ~~30-day~~ 90-day  
10.10 supply of the dosage determined for that patient.

10.11 (d) A manufacturer shall require any employee of the manufacturer who is transporting  
10.12 medical cannabis or medical cannabis products to a distribution facility to carry identification  
10.13 showing that the person is an employee of the manufacturer.

10.14 Sec. 13. Minnesota Statutes 2018, section 152.29, subdivision 3a, is amended to read:

10.15 Subd. 3a. **Transportation of medical cannabis; staffing.** A medical cannabis  
10.16 manufacturer may staff a transport motor vehicle with only one employee if the medical  
10.17 cannabis manufacturer is transporting medical cannabis or hemp to either a certified  
10.18 laboratory for the purpose of testing or a facility for the purpose of disposal. If the medical  
10.19 cannabis manufacturer is transporting medical cannabis or hemp for any other purpose or  
10.20 destination, the transport motor vehicle must be staffed with a minimum of two employees  
10.21 as required by rules adopted by the commissioner.

10.22 Sec. 14. Minnesota Statutes 2018, section 152.31, is amended to read:

10.23 **152.31 DATA PRACTICES.**

10.24 (a) Government data in patient files maintained by the commissioner and the health care  
10.25 practitioner, and data submitted to or by a medical cannabis manufacturer, are private data  
10.26 on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in  
10.27 section 13.02, subdivision 9, but may be used for purposes of complying with chapter 13  
10.28 and complying with a request from the legislative auditor or the state auditor in the  
10.29 performance of official duties. The provisions of section 13.05, subdivision 11, apply to a  
10.30 registration agreement entered between the commissioner and a medical cannabis  
10.31 manufacturer under section 152.25.

11.1 (b) Not public data maintained by the commissioner may not be used for any purpose  
11.2 not provided for in sections 152.22 to 152.37, and may not be combined or linked in any  
11.3 manner with any other list, dataset, or database.

11.4 (c) The commissioner may execute data sharing arrangements with the commissioner  
11.5 of agriculture to verify licensing information, inspection, and compliance related to hemp  
11.6 growers under chapter 18K.

11.7 Sec. 15. **[152.345] POSSESSION AND USE OF MEDICAL CANNABIS IN**  
11.8 **SCHOOLS.**

11.9 (a) A student shall not possess or self-administer medical cannabis on the grounds of a  
11.10 preschool, elementary, or secondary school; a school bus or van; or at a school-sponsored  
11.11 event, except as permitted under this section.

11.12 (b) A parent or legal guardian of a minor student who is enrolled as a patient in the  
11.13 registry program or a student's registered designated caregiver may possess and administer  
11.14 medical cannabis to the student on the grounds of a preschool, elementary, or secondary  
11.15 school in which the student is enrolled; on a school bus or van; or at a school-sponsored  
11.16 event. If the student is 18 years of age or older and enrolled as a patient in the registry  
11.17 program, the student may self-administer the medical cannabis under the supervision of a  
11.18 designated caregiver or designated school personnel on the grounds of a secondary school  
11.19 in which the student is enrolled, on a school bus or van, or at a school-sponsored event. A  
11.20 parent, legal guardian, designated caregiver, or student shall not administer medical cannabis  
11.21 in a manner that creates disruption to the educational environment or causes exposure to  
11.22 other students. The school may designate specific locations on school grounds where medical  
11.23 cannabis must be administered.

11.24 (c) After the parent, legal guardian, or designated caregiver administers the medical  
11.25 cannabis, the parent, legal guardian, or designated caregiver shall remove any remaining  
11.26 medical cannabis from the grounds of the preschool, elementary, or secondary school; the  
11.27 school bus or van; or a school-sponsored event, unless the school allows for the storage of  
11.28 the student's supply of medical cannabis in a locked secure location.

11.29 (d) Nothing in this section requires school staff or the school district's staff to administer  
11.30 medical cannabis to a student or to store or maintain a student's supply of medical cannabis.

11.31 (e) The school or school district may adopt policies regarding reasonable parameters for  
11.32 the administration and use of medical cannabis, but may not unreasonably limit a patient's  
11.33 access to or use of medical cannabis.

12.1 (f) This section does not apply to a school district if the school district loses federal  
12.2 funding as a result of implementing this section, and can reasonably demonstrate that it lost  
12.3 federal funding as a result of implementing this section.

12.4 Sec. 16. Minnesota Statutes 2018, section 152.36, subdivision 2, is amended to read:

12.5 Subd. 2. **Impact assessment.** The task force shall hold hearings to evaluate the impact  
12.6 of the use of medical cannabis, hemp, and Minnesota's activities involving medical cannabis  
12.7 and hemp, including, but not limited to:

12.8 (1) program design and implementation;

12.9 (2) the impact on the health care provider community;

12.10 (3) patient experiences;

12.11 (4) the impact on the incidence of substance abuse;

12.12 (5) access to and quality of medical cannabis and hemp and medical cannabis products;

12.13 (6) the impact on law enforcement and prosecutions;

12.14 (7) public awareness and perception; and

12.15 (8) any unintended consequences.

12.16 Sec. 17. **APPROPRIATION.**

12.17 \$1,759,000 in fiscal year 2020 and \$2,259,000 in fiscal year 2021 are appropriated from  
12.18 the state government special revenue fund to the commissioner of health for administration  
12.19 of the medical cannabis program under Minnesota Statutes, sections 152.22 to 152.37.